



U.S. Department of Justice

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EVENT: Guilty Plea

Defendant: Robert Fisher

JACKSON BUSINESSMAN PLEADS GUILTY TO CHEATING ON HIS TAXES

United States Attorney Stephen J. Murphy and Maurice M. Aouate, Special Agent in Charge, Internal Revenue Service Criminal Investigation announced that Robert Fisher, Jr., 61, of Jackson, Michigan, pleaded guilty yesterday to filing a false tax return, signed under penalties of perjury. This guilty plea is the result of a March 22, 2005 indictment charging him with eight counts of making and subscribing false Federal income tax returns and one count of obstruction of justice. The guilty plea was entered before United States District Court Judge Denise Page Hood.

According to court records, during the 1998 through the 2001 tax years, Mr. Fisher was the president of Power Drive Systems, Inc., Jackson, Michigan, and he also ran a Schedule C business know as Fisher and Associates. During those years, Mr. Fisher failed to report to the Internal Revenue Service a substantial amount of his business income on his federal individual and corporate income tax returns, totaling over \$229,000.

As president of his company, Mr. Fisher used corporate funds to pay for personal expenses either by charging them to his business credit card or issuing corporate checks

directly to third party vendors, falsely characterizing them and deducting them as business expenses on the corporate return. Mr. Fisher also skimmed corporate receipts by creating a second invoicing system that resulted in business receipts not being posted on the company's cash receipts journal, which were utilized by the company's accountants in determine income. The checks received were either cashed by Mr. Fisher or deposited into his personal bank account. Mr. Fisher also wrongfully reduced his taxable income by offsetting a substantial portion of his gross receipts by manipulating and/or overstating his cost of goods sold.

United States Attorney Murphy stated that, "We take tax cheats extremely seriously. Our efforts are tailored to ensure that all taxpayers voluntarily comply with tax filing requirements imposed by federal law."

Mr. Aouate stated, "Every American has a duty to pay their fair share of taxes and IRS Criminal Investigation will continue to direct their efforts at the portion of Americans who willfully and intentionally violate this known legal duty."

Mr. Fisher is scheduled to be sentenced on November 17, 2005, at 2:00 pm.

Mr. Murphy commended the special agents of the Internal Revenue Service Criminal Investigation for their work in this investigation along with Assistant United States Attorney Richard L. Delonis who is prosecuting the case.